

# OLD OBSTACLES AND NEW OPPORTUNITIES IN REGIONAL COOPERATION OF LOCAL GOVERNMENTS

Lecturer Ferenc SZABÓ  
University of Szeged, Hungary

## *Abstract:*

*The accession of Hungary to the European Union created vast opportunities for the development of infrastructure in the area of environmental protection. But the financial resources almost always depend on the availability of some kind of regional cooperation or territorial integration. In my paper, I study the experiences gained regarding the establishment and operation of regional cooperation; the reasons of the difficulties of operation during short-term cooperation and the future possibilities for cooperation in the long run on the basis of a quantitative analysis of the „Szeged Regional Waste Management Programme” ISPA/Cohesion Fund project. It was to establish a project region of 250 thousand inhabitants, which region is the beneficiary of the European Union support. In order to analyse the reasons of the defaults of operation, I proposed a hypothesis based on the interviews conducted with project managers and experts involved in the project studied. I conducted a questionnaire survey in order to check the validity of the hypothesis by way of a quantitative method. The analyses of the questionnaires of the representatives of the 32 municipalities appeared to partly confirm the hypothesis, in other respects they extended beyond the statements of the hypothesis. Although past traditions of natural cooperation based on mutual benefit had died out during the forty years of socialism, European Union projects, however, forced new types of regional cooperation, i.e., project regions, to develop shortly after the change of the regime.*

*Key words: environmental protection, environmental infrastructure development, waste management, project management, regional cooperation*

## **Introduction**

Regional cooperation of local governments is a key issue in Hungary from several aspects. The accession of Hungary to the European Union created vast opportunities for the development of infrastructure in the area of environmental protection. European Union funds have been available since the very beginning of the accession process, and their amount increased considerably from the year 2000 (via the ISPA programme). Today, as a member state of the European Union with full rights, Hungary is entitled to use the common resources of the Cohesion Fund. These resources can be utilized if strict regulations are

observed; accessing them almost always depends on the availability of some kind of regional cooperation or territorial integration.

Past traditions of natural cooperation based on mutual benefit had died out during the forty years of socialism. In the period of dictatorship, only cooperation controlled from above and operating amidst sub- and super-ordination relations mostly reflecting the power hierarchy could exist. Most of such cooperation came to an end with the change of the regime change, to be replaced by an air of distrust and aversion toward integration efforts. European Union projects, however, shortly forced new types of regional

cooperation, i.e., project regions, to develop.

A precondition for the successful implementation of the ISPA/Cohesion Fund project entitled the „Szeged Regional Waste Management Programme” and approved in 2000 was to create a project region involving 250 thousand inhabitants as project beneficiaries. My paper provides an analysis of the establishment of regional cooperation, the experiences obtained so far regarding its operation, and the prospects for long-term future cooperation.

## **Research objectives and methods**

### ***Importance of the research topic selected, issues regarding research methodology***

The selected research field is that of project management, the research topic is: ***“Analysis of the Cooperation between Local Governments within the Szeged Regional Waste Management Project”*** (The programme that was launched in 2000 with ISPA support was automatically transformed, following our accession to the European Union, into a Cohesion Fund project under identical conditions.)

In the beginning, an analysis of cooperation between local governments under several Hungarian ISPA projects was considered, however, a more thorough review of the topic at hand led me to the conclusion that such an attempt would considerably exceed the scope of a thesis. Some outstanding authors dealing with research methodology also suggest preference to a smaller scope of topic with more depth when selecting a topic for research [Tomcsányi, 2000, p. 77]. Therefore, the analyses were carried out with a focus on the European Union-supported Szeged Waste Management Project. According to available preliminary information, the general and characteristic phenomena, problems

and failures of operation revealed in connection with the „Szeged Regional Waste Management Project” appear to coincide with those observed in relation to other Hungarian projects, thus an in-depth, scientific analysis of the development activities may provide conclusions that are generally applicable, for example, to the cooperation between local governments. My objective has been to provide scientifically sound theoretical and practical assistance to practical implementation of similar projects, first of all in the area of cooperation between local governments.

### ***Selection, timeliness, and importance of the given topic***

While selecting the specific topic to be explored, I tried to concentrate first and foremost on the two most important professional requirements for a research topic, i.e., problem solution and timeliness. Of course, the fact that the waste management European Union project was being implemented in our close proximity, the Szeged region, also played a role in the selection. [Tomcsányi, 2000, p. 77].

The accession of Hungary to the European Union is a catching up and development process covering several decades, thus it did not end by actual acquisition of full membership. The majority of the countries joining the European Union, including Hungary, have met the majority of the strict conditions of accession, yet there are a number of areas showing considerable lag, especially behind the more developed states of West Europe. Over the past couple of decades, major infrastructure development projects have been postponed for a shortage in required resources. Further development and rapid catching up of some of the countries are basically hindered by a lack of an advanced transport and environmental infrastructure.

The management of the European Union realized early that the major obstacle in the enlargement process called about in many respects as a result of geopolitical reasons has to do with the difference in the levels of development of the countries intending to access the European Union, which markedly manifested itself by the low level of existing infrastructure. That was why, upon a suggestion by the countries dedicated to enlargement, supporting of the accession countries by the European Union had begun several years earlier. Perhaps the most well-known of these initiatives was the Phare programme, whose role was gradually taken over by the most pre-accession significant support programme, the ISPA (Instrument of Structural Policies for Accession Countries) over the past five years. That system of support extended to the pre-accession countries corresponded to the cohesion funds operating within the European Union. At the time of acquiring full membership, the ISPA projects then under way automatically transformed into cohesion fund projects.

I selected a regional programme out of the Hungarian projects currently under way in one of the most significant areas of environmental infrastructure, viz., waste management, as the central topic of my research. That is the area where we experience the largest, in fact, several years' gap, in which substantial progress can be achieved by concentrating the major resources. In the first research phase, I collected and summarized practical experience gathered through the cooperation between local governments in connection with the preparation, design, organization, and implementation of various types of projects.

Due to related high costs, the European Union support is the only opportunity available to local governments to meet their accession obligations that are also crucial for Hungarian environmental protection and

the quality of built-up environment. Unfortunately, the majority of Hungarian local governments are short of the required professional and financial potential even for having suitable project proposals and project plans elaborated. As a result, this has led to a number of dysfunctions that will be specifically analyzed under this research.

Anyway, the operation of local governments is characterized by slow and difficult decision-making and implementation, lack of concert between the authority apparatus and the general meeting, professional uncertainty and mistrust. Even today, the question of how mayor's offices can be operated successfully, efficiently, economically, and at a higher professional level are still open. It appears that a prerequisite for an efficiently operating public administration is a new policy, structure, and operation of the local government, which is unavailable in the majority of cases.

The final goal of the research is to elaborate recommendations for the area of cooperation between local governments, aimed at simplification and stream-lining of further utilization of the support from the European Union, along with working out more efficient methods and changing existing regulation.

A further requirement for a research topic, in addition to problem solution and timeliness, is that it is innovative and allows for conclusions that have not been proposed before [Tomcsányi, 2000, p. 77]. Taking into consideration that practical aspects of project management in Hungary have been investigated only for a couple of years yet, with just a few comprehensive studies conducted in Hungary to date and a lower level of Hungarian special literature published on the topic compared to that of countries with a developed market economy, new conclusions are expected as a result of primary and also

secondary research, the latter mainly relying on foreign resources.

### **Objectives**

The objective of some research may be:

- a solution of some practical or theoretical problem
- development of a branch of science, a discipline
- proof of suitability to carry out scientific work on the basis of a thesis [Tomcsányi, 2000, p. 14].

Thus, I hope my research results will contribute to mitigating the presently persisting dysfunctions of practical Hungarian project management, the theoretical research background and the theoretical conclusions will assist in a simpler, quicker, and more efficient preparation and smooth implementation of the increasing number of Hungarian projects, first of all, in the area of cooperation between local governments.

### **Elaboration of a research plan**

One of the first steps in working out a general scenario for research is the elaboration of a research plan [Tomcsányi, 2000, p. 51]. After the research task is identified, a preliminary draft of the thesis is to be drawn up, which then serves as a basis for specifying the sub-tasks. They included the following:

The major objective of the **first research phase** was to analyse from a professional point of view the theoretical and practical background of EU-supported infrastructure development projects concerning waste management in Hungary.

**In the second research phase**, an analysis of regional cooperation between local governments followed, which cooperation was indispensable for creating the regional waste management infrastructure established as a result of the detailed analysis performed in the first phase. In the course of cooperation, dysfunctions of

operation, complicated and unjustified processes and decision-making mechanisms were explored. Their analysis and systematization were the object of research. I intended to identify the cause-and-effect relations underlying the dysfunctions by way of analysing the distribution and the levels of tasks and processes, competence, professional and political responsibility.

The roles of the local governments, the organizations, the firms and the experts commissioned by the local governments are different. Some local governments enter the scope of those supported with a minimum professional effort, owing to political ties, while others make considerable efforts and assume financial burden in the course of professional preparation. In addition to that burden, considerably greater responsibility is assumed in terms of the selected technical solutions and the budget prepared, notwithstanding the fact that the screening procedures of the government and the experts from the European Union implemented multiple control mechanisms.

### **Research methodology**

Research is basically divided into primary and secondary investigation. In the course of primary research, new and individual information is obtained through experiments, observations, interviews, etc. Secondary research is applied to solve a scientific problem on the basis of existing and accessible information [Tomcsányi, 2000, p. 20].

In the course of work, I resorted to the methods of explorative research in the beginning in order to exactly specify the problem at hand and formulate a thorough understanding of the prevailing situation. As a first step, I worked through the secondary information that was relevant for the topic concerned. Then I collected qualitative primary data predominantly

through questioning, conducting interviews and making observations.

Next, in the second phase of research, I applied descriptive and cause-and-effect methods in parallel; the former was used to analyze the given situation and formulate a preliminary hypothesis, the latter served as a means to analyze cause-and-effect relations and modes of action in order to predict expected outcomes. During this phase, I collected qualitative primary data by using the methods mentioned above. Owing to the features of the topic at hand, I performed quantitative data collection and analyses with the help of questionnaires so as to become familiar with the experience and opinions of various local government officers and experts related to the 32 local governments involved. The quantitative analysis was applied with the objective to support the conclusions and statement based on qualitative information, as well as the hypothesis proposed in the first phase of the research. The questionnaires provided in the Schedule were filled out during personal interviews, which allowed me to record personal impressions gathered with each respondent. In each case, the mayor of a local government was requested to supply answers, however, a vice-mayor, a notary or a senior local government officer undertook the task of answering in a number of cases. As a result, the composition of the respondents reflects a relatively heterogeneous sample (in terms of position, sex, age, education, etc.), which means that a certain degree of caution is in place when it comes to assessing the results of the quantitative analysis in view of the large proportion of subjectivity regarding the individual sets of questions.

### ***Secondary research***

A basic principle of organizing research is that secondary research should always precede primary research [Tomcsányi, 2000, p. 29].

During the past months, I conducted a review of available Hungarian special literature. I concluded that hardly any monographs dealing with my research topic had been published, and those available were not devoted specifically to the problems I had identified. Several books have been published and are available on project management, however, they predominantly concentrate on describing the principles and practice of management in general, without addressing Hungarian issues specific to the field, i.e., cooperation between local governments. I have begun processing of the special literature collected, during which I apply the following methods mentioned by Tomcsányi: preparation of digests, annotations, notes, and supplements [Tomcsányi, 2000, p. 112].

### ***Primary research***

Secondary research is followed by primary research. It may take the form of measurement or interviewing, the method applied being either observation or experimentation [Tomcsányi, 2000, p. 250]. As required by the specificity of my topic, the form of primary research was interviewing, and the method applied was observation. As regards interviewing, the predominant method was using questionnaires. A part of the research topic, however, including the evaluation of the opinion of experts participating in the implementation of the waste management projects, was explored using in-depth interviews as well. Since my research topic centres around the preparation and implementation of development projects related to public services, the importance of the opinion of the participating experts is comparable to that of measurable facts [Tomcsányi, 2000, p. 338].

As regards the breadth of study, primary research based on observation may apply a „case” method whereby just one or several cases are included in a diverse critical analysis. Alternatively,

it may be statistical data recording with a large number of cases studied less thoroughly [Tomcsányi, 2000, p. 251]. As suggested by the afore-going description, I resorted to the "case" method during my research, which included the study of one major project.

### **Hypotheses regarding the background of dysfunctions in the cooperation between local governments**

#### ***The pressure between local governments to cooperate and its dysfunctions***

Commissioned by the consortium of the regional local governments, the Szeged Environmental Management Non-Profit Company carried out the preparation and implementation of the project entitled the „Szeged Regional Waste Management Programme”. Basically, the programme was launched from Szeged, the company involved is the local waste management public service provider, a one-man company of the local government of Szeged, the host of the consortium formed later on. The company prepared the first version of the project documentation in 1998-1999. Cooperation between local governments was then launched in 1999-2000, validated by a consortial agreement concluded by 33 settlements. On the basis of in-depth interviews conducted with experts of the company, its managing director, financial and technical manager, the background for cooperation between local governments was summarized as a set of statements. I handled these statements made in a small circle of those involved as a hypothesis in the middle phase of the research. Then I tried to support these statements in the next phase of the research by applying a quantitative method. Of course, the hypothesis also includes a number of factual statements whose validity is undoubted. Rather than check these statements, my aim was to specify, first

of all, the subjective elements underlying the relevant dysfunctions (aversion, mistrust, etc.) and the reasons leading to them.

The accession of Hungary to the European Union created vast opportunities for the development of infrastructure in the area of environmental protection. Certain European Union funds were available at the very beginning of the accession process, and their amount increased considerably from the year 2000 (via the ISPA programme). Today, as a member state of the European Union with full rights, Hungary is entitled to use the common resources of the structural funds, i.e., the Cohesion Fund. These resources can be utilized if strict regulations are observed; accessing them almost always depends on the availability of some kind of regional cooperation or territorial integration.

Past traditions of natural cooperation based on mutual benefit had died out during the forty years of socialism. In the period of dictatorship, only cooperation controlled from above and operating amidst sub- and super-ordination relations mostly reflecting the power hierarchy could exist. Most of such cooperation came to an end with the change of the regime change, to be replaced by an air of distrust and aversion toward integration efforts. European Union projects, however, shortly forced new types of regional cooperation, i.e., project regions, to develop.

A precondition for the successful implementation of the ISPA/Cohesion Fund project entitled the „Szeged Regional Waste Management Programme” and approved in 2000 was to create a project region involving 250 thousand inhabitants as project beneficiaries. My paper provides an analysis of the establishment of regional cooperation, the experiences obtained so far regarding its operation, and the

prospects for long-term future cooperation.

### ***Operation defaults of regional public administration after the change of the regime***

The change of the regime increased the independence of the local governments considerably. The law on local governments assigned a number of new scopes of competence to elected general meetings and bodies of representatives of the settlements, including full political and property-related autonomy. While a part of such rights existed on paper already in the party state („council”) period, actually they were hardly ever exercised owing to full implementation of the central will.

It can be generally stated that cooperation offers more advantage to participants than disadvantage. This, however, is true only if the relations between and the interconnection of the participants are fair and neither party wants to abuse of his actual position or dominance. During the period of socialism, that was different, and the processes of integration were considerably hindered by unfavourable earlier experience and mistrust. Nevertheless, the most prominent proof of the added value derived from integration is the general drive and urge to get integrated which is manifest the world over. This is exemplified by the European Union itself, and regionalism, which is one of the most important principles of the European Union.

### ***Processes after the change of the regime***

In the period following the change of the regime, the system of Hungarian local governments experienced just the opposite tendencies. New local governments were established in the course of the first free local government elections that got rid of the direct control of the earlier county and central power, and considered proving their own

identity and independence as their first and foremost task.

The integrated settlements, cooperation entities, associations, unified local governments once created upon central decisions of the power started to disintegrate and fall apart immediately. The process took place regardless of whether the given cooperation was a reasonable one, or not.

This is exemplified by regional water supply that used to be provided by public utility companies within county competence. The majority of these companies fell to pieces, the public assets were divided among the local governments concerned, and dozens of companies obviously operating with extra costs and inefficiently were formed, resulting in small settlement-based service providers that were incapable of development. The process affected the local governments of major cities with their own public service to a lesser extent and so they were able to ensure conditions for efficient water supply thanks to the related economies of scale.

The process of disintegration of minor settlements annexed earlier to large cities commenced. Local political and non-governmental groups on a large part of such annexed settlements felt dedicated to achieve local referendum and establish settlement-based local governments. In the case of Szeged, a successful referendum held in 1997 resulted in the detachment of Algyő. The referendum held to achieve the detachment of Tápé failed, and, while a referendum to separate Kiskundorozsma was also proposed, the initiative has not yet been implemented. No intention to achieve detachment has been articulated in the case of Gyálarét, Szentmihály, Szőreg, and Klebesberg telep.

### ***Features of socialist public administration, our heritage of the past***

Earlier on, it was generally thought (and it may well be thought even today, albeit to a lesser extent) that large cities overshadow surrounding smaller settlements, which makes the life of local governments and population of the latter more difficult. This controversy derives from the council-based, centralized public administration system of the past. Budget allocation in the era of the single-party state was performed in Budapest.

The remaining portion was allocated to county level units, evidently, county councils allocated a major portion of development resources to county seats. The rest was left for districts and district cities, which received considerably less than the capital or the county seats, however, the amounts they received were still considerably larger than those divided among the small settlements.

The given hierarchy of public administration brought with it aversion towards larger and more favourably positioned settlements, while, at the same time, typically there was also strong competition among local governments of a comparable size. Council heads of these settlements competed for the mercy of those on a higher level or in the centre, as they were interested in obtaining a larger piece of the common, albeit smaller cake. It was generally held that a good council head (or a good secretary of the local party committee) is recognized by his ability to attract resources from higher authorities for the benefit and development of the settlement — to the detriment of other settlements. This, in turn, led to considerable conflicts among similarly sized settlements as well. Of course, the process was quite in line with the intentions of the highly centralized control of power of the party leaders, as it allowed the classic

principle of "Divide and Conquer" to be maintained.

In summary, it can be concluded that the representatives of the predecessors of local governments in the socialist system of public administration, i.e., those of the local councils and the population of individual settlements developed considerable prejudice, tension and personal conflicts for and among one another, which, however, was completely suppressed by the contemporary hierarchy of power. However, this latent, increasing tension suppressed from above came to the surface immediately after the change of the political regime.

### ***Defaults in financing the system of local governments***

The system suffered from serious disturbances of operation because provision of the local governments with considerable independence did not entail the provision of state funding for the increased amount of tasks. Moreover, while there has been an ever increasing amount of tasks assigned to, and to be assumed by, local governments for the past 17 years, there has been a continuous decrease in the real value of normative and other state funding. A large rate of freedom is not valued extremely highly in case there is no money to support it. This was soon realized not only by the local governments but also by other layers of the society. The enthusiasm and euphony experienced at the time of change of the political regime soon vanished and became replaced by disappointment and pessimism. A larger share of the population concluded the change of the political regime and also our accession to the European Union as a loser. Despite the increasing spread of „euro-scepticism“, the initial impetus helped us move into the European Union, as evidenced by the clearly positive end result of the related referendum.



Major losers of the past couple of years are the local governments that are forced to manage their finances under deteriorating conditions. Recurring budgetary restrictions create ever harder circumstances, characterized by dismissal, closing down of schools and kindergartens, most local governments getting into serious debts whose rate is constantly increasing. The major problem in this respect is related to the fact that a large part of the credits is spent on operation expenses, rather than development.

With the county-level governments losing ground, disturbance in the operation of the various regions is further enhanced owing to a lack of regional coordination. Spontaneous re-organization of various regions and sub-regions started only several years later, when more and more people involved in local government affairs realized that it would be impossible to solve quite a number of issues independently, especially those arising in connection with local governments of smaller settlements.

### ***„Integration-related” side effects of external development funds***

International and Hungarian funds aimed at development were made available already in the pre-accession period, however, these resources could be accessed basically through regional cooperation. The new situation brought about „project regions”, a characteristic feature of the years following the change of the political regime. A project region is a kind of forced cooperation with participants connected to one another by an intent to obtain funds, rather than realistic ties and actual cooperation. Should a local government wish to implement development initiatives in spite of a decrease in the availability of local government financing, it is forced to submit a project proposal together with other local governments. That is because the strict project evaluation

criteria favour only regional proposals submitted by a consortium. Under the given pressure of necessity, a number of cooperation initiatives were implemented in which the participants did their best to maximize benefits, while reducing their share of common burdens to a minimum. As a result, such cooperation appears to increase earlier confrontation and tension, rather than reduce it.

The process of decentralization, disintegration of regional cooperation and integration, and lack of regional coordination which took place following the change of the political regime appeared to run against the integration processes of the European Union and made it difficult to establish Euro-regions and real project regions created as a result of efficient operation based on mutual advantages.

Luckily enough, more and more senior local government officers appear to realize the advantages offered through regional cooperation, and more and more real regions are thus created through participation of settlements that are driving for a competitive edge and benefits not for the detriment of others. Considered from the local government point of view, regionalism means a union of regional centres and surrounding smaller settlements which operates efficiently and grows dynamically. The cohesion policy of the European Union is actually targeted at promoting the development of such regions. Both the Structural Funds and the Cohesion Fund were created in order to facilitate the development and catching up of regional infrastructure to achieve the level of more advanced regions and, thereby, ensure that the given region is capable of retaining its population (maintaining cohesion).

### **Expected results**

First, I will explore the local government background of the Szeged Regional Waste Management Infrastructure Development EU Project.

That incorporates a description of the type of cooperation between local governments, the related difficulties, dysfunctions, and the underlying background factors. Then follows a specification of the factors that lead to the dysfunctions emerging in the cooperation between local governments in the area of preparing, designing, managing, and implementing projects, as well as operating the facilities thus created. Also identified are the fundamental theoretical and practical implications that make efficient and successful preparation, planning, management, and implementation difficult to realize in the process of project management.

## **Research results**

### **Questionnaire**

In order to perform a quantitative assessment of the cooperation between local governments, each of the 32 cooperating local governments were contacted and all of the local governments filled out the same questionnaire (Schedule no. 1). The questionnaire included recording of a number of diverse pieces of information, partly related to factual, objective information and controllable data, partly mostly subjective opinions based on personal judgement. The considerable number of questions pertaining to factual information allowed me to check whether the respondent was suitably prepared and possessed the basic relevant information about the area concerned. Further processing of such information will make it possible to arrive at a more succinct picture of the cooperation between local governments than that created in the first round. In the first step, the objective was to try and either confirm the validity of the hypotheses formulated in the preceding part, or reject them with the help of the answers received for the questions predominantly containing subjective judgement. In order to facilitate processing of the questions including non-factual answers, pre-formulated

response choices were provided and their truth probability was assessed by the respondents by assigning a score between 1 and 10 to them. In this case, a score of 1 corresponded to a totally false answer, and 10 meant a totally true answer. Of course, as suggested by the type of the questionnaire applied, neither complete confirmation, nor full rejection could be expected. In each case, evaluation of the responses was based on whether the answer exceeded the neutral value of 5 or was lower than that score, and to what extent the scores deviated from that neutral value.

### **Respondents**

The respondents of the interviews made during the filling out of the questionnaires were mayors and notaries. Although we intended to contact mayors, they often referred us to notaries as they appeared busy. The respondents were men and women of various ages, consisting of 15 women and 17 men answering, representing the 32 settlements. Of the 15 women respondents, 9 were aged between 30 and 40, and 6 were above 40 years of age. As regards men, 9 out of the 17 respondents were aged between 30 and 40, and 8 were above 40 years of age.

The above figures allow us to draw several conclusions. It is probable that more senior men officers worked in local government offices before the change of the regime than women. This proportion seems to be more balanced after the change of the regime. On the other hand, it appears clear that only a few of the currently employed senior officers have retained their earlier functions in the period before the change of the regime. As a result, they could not provide as exact and detailed answers to the questions related to the era before the change of the regime.

Of course, the answers to the questions were also affected by the number of cycles the mayors or notaries served in the given function. Opinions given by those in their 3rd or 4th cycle

regarding the same fields would differ from those provided by respondents who have been in senior positions for just 1 or 2 years.

In the course of preparing and evaluating the questionnaire, we tried to be as politically neutral as possible, however, it should be borne in mind that the respondents were unable to give totally free answers from their political bias. Most of the local government heads of the regions prefer to get engaged in mutual programmes implemented by senior officers with a similar bias. That is why some local governments would frequently seek contacts with another remote settlement, rather than pursue close cooperation with the neighbouring settlements. Therefore, most of the villages maintain sister settlement relations with some city located at a long distance. Those of the settlements that are located in the direct proximity of the state border would prefer to select a twin settlement (town) from the other side of the border. As they are situated much closer to them, the ties between them are also closer.

#### ***Evaluation***

A part of the hypotheses regarding cooperation between local governments have to do with the period before the change of the regime, another part is related to the currently prevailing

conditions. I tried to explore and confirm through the application of qualitative methods the cause-and-effect reasons underlying the lack of coherence, tension, and conflicts that emerge between local governments.

#### ***Cooperation between local governments under the conditions of socialism***

Owing to the relatively low age of the respondents, the related answers should be handled with some caution, because most of the respondents do not have direct experience with the period concerned as, of course, they could not obtain a valid impression due to their young age.

Notwithstanding the afore-going, all of the responses regarding the disadvantages of the system of centralized public administration showed a score above 5. The statement concerning the distribution of development resources received an average score of 6.81 (the county seats and the district seats received the greater part of the resources). Similarly, statements regarding party control and the totalitarian, centralized decision-making mechanism also scored higher than 6. All of the scores to the questions evaluating local opportunities, individual initiatives, and opportunities for volunteer cooperation were below 5.

**Table 1**

<b>Ho do you evaluate the relations that emerged during socialism?</b>	<b>Evaluation</b>
Major settlements, district and county seats oppressed the smaller ones.	5.63
Most of the development funds were assigned to district and county seats.	6.81
Higher level party organs overruled all local initiatives.	6.03
Moneys and opportunities could be obtained only with good relations and presents.	5.88
There were no choices, everything was decided on a higher level.	6.38
Cooperation between settlements were formal and imposed on us from above.	5.88
The settlement developed considerably, we received support on a regular basis.	4.13
Local initiatives were taken into consideration and funds could be obtained.	4.00
We gladly took part in cooperation with other local governments.	4.47

That is, the responses recorded in the questionnaire appear to somewhat confirm, rather than reject, out hypothesis regarding the period before the change of the regime, according to which a part of the reasons for the current problems is related to the heritage of the past, as well as the former centralized system of public administration, and a direct consequence of the totalitarian arrangement of power under the single-party system of the state. The tension and mistrust that developed during the decades of party-state dictatorship appear to negatively affect the relations between local governments even today. It is expected that the statements formulated in the hypothesis would have been confirmed considerably more

definitely in the event of a different age proportion of the respondents with the elderly population dominating.

### ***Relations between various local government***

The relations that hold between various local governments are largely affected by their size. Questionnaire data clearly suggest that truly favourable relations, positive opinions, mutual trust and cooperation can develop between neighbouring settlements and settlements of a similar size (Tables 2 & .3). The indicators obtained for similar settlements show a score between 7 and 8, and a score invariably higher than 8 for neighbouring settlements, which suggest definitive confirmation of the hypothesis.

**Table 2**

<b>Relations with similarly sized settlements</b>	<b>Evaluation</b>
Relations to each other	7.91
Opinions of each other	7.69
Mutual trust	7.66
Actual cooperation	6.94

**Table 3**

<b>Relations with neighbouring settlements</b>	<b>Evaluation</b>
Relations to each other	8.31
Opinions of each other	8.13
Mutual trust	8.13
Actual cooperation	7.78

The scores of relation indicators are neutral in the case of smaller settlements, scoring around 5 or somewhat below 5 (Table 4). This means that the majority of the local governments do not consider local governments of the settlements that are

smaller as real partners. Of course, such a judgement is relative and completely subjective, nevertheless, it is worth noting and clearly indicates the extremely difficult position of small local governments.

**Table 4**

<b>Relations with smaller settlements</b>	<b>Evaluation</b>
Relations to each other	5. 13
Opinions of each other	5. 03
Mutual trust	4. 75
Actual cooperation	4. 28

The relation of a settlement in question to larger local governments is positive, the lowest indicator scoring 6.59, and the highest — 6.78 (Table 5). It appears that smaller local

governments tend to exhibit a certain degree of respect for the performance and professional experience of the larger ones.

**Table 5**

<b>Relations with larger settlements</b>	<b>Evaluation</b>
Relations to each other	6.72
Opinions of each other	6.69
Mutual trust	6.59
Actual cooperation	6.78

An especially interesting issue and a focal target area of the research is the relation between the regional centre and the local governments studied (Table 6). As can be concluded from the evaluation of the responses referring to period of socialism, Szeged as a county seat did not use to be extremely popular among the local governments of the region. It appears, however, that the unfavourable relations, mistrust, and a negative attitude have changed considerably over the past couple of years. The evaluation scores are quite high. Specifically, the opinion about Szeged showed a high positive score (7.74). The „trust index” is also clearly positive — 6.75. In other words, contrary to the hypothesized aversion and mistrust toward Szeged will

represent a gradually decreasing obstacle to regional cooperation between local governments. Supposing that this is a process in which the present phase does not any longer indicate the earlier contradiction, with the existing tension and conflicts being, however, clearly maintained, one can also state that the positive experience gained in the course of joint cooperation may lead to elimination of earlier tension and mistrust. From this viewpoint, then, one can conclude that while the qualitative analysis failed to clearly confirm the hypothesis proposed and even appears to reject it, the statements may have been valid in relation to an earlier stage of the process.

**Table 6**

<b>Relations with the regional centre (Szeged):</b>	<b>Evaluation</b>
Relations with Szeged	6.41
Opinions of Szeged	7.47
Trust toward Szeged	6.75
Actual cooperation with Szeged	5.16

All in all, the quantitative assessment highlights another typical feature. Aside from one aspect (Relations with larger settlements), the lowest value was assigned to the

question about actual cooperation in all the other cases, which indicates that, according to the respondents, there are still ample opportunities for actual cooperation, regardless of the positive

move in the area of trust, readiness and willingness to cooperate.

### ***Why did a local government join the ISPA project***

The regional cooperation at hand was set up in order to implement the Szeged Regional Waste Management ISPA (now Cohesion Fund) project. Thus it appeared important to assess why a local government joined the cooperation that was initially brought about in the form of a consortium and now operates as an as

The presumed reasons of joining the consortium were analysed in a manner similar to the questions mentioned above. The majority of the reasons which we identified as possible candidates were mostly confirmed definitely. It can be assumed that the respondents replied to some questions not, or not so much according to their personal conviction, rather they selected an answer that their position afforded. This (as suggested by personal impression and the gestures observed during interviews) must have

been the case with the two answers scoring higher than 9 (achieving a higher environmental quality and regional cooperation representing a good solution).

As regards the rest of the statements, we received clearly sincere and relevant answer. The question of „Otherwise we would not have received subsidy” received a clearly high score (8.44). The relatively low score concerning the issue of „The inhabitants demanded development activities” (6.34) proves that the respondents provided sincere answers, free from any hypocrisy.

Luckily, there were no respondents thinking that development was imposed on them by the regional centre (2.66). On the contrary, the need to catch up, to comply with the requirements of the European Union, as well as a fear of possible authority measures played a crucial role in the decision of the local governments of the region to join the regional waste management cooperation.

**Table 7**

<b>Reason for joining the ISPA project</b>	<b>Evaluation</b>
Achieving a higher environmental quality	9. 44
Otherwise we would not have received subsidy	8. 44
We are aware that only regional cooperation represents a good solution in the area of environmental protection	9. 09
We were forced by the regional centre	2. 66
The inhabitants demanded development activities	6. 34
Because of strict regulations of the European Union	7. 19
We feared possible authority measures due to environmental pollution	6. 13
We thought that smaller settlements also ought to catch up	8. 22
The environment of the settlement was a shame, we wanted to change that	4. 81
Reason for joining the ISPA project	5. 00

## **Consequences, recommendations**

The strict regulation pertaining to environmental protection, imposed as a result of legal harmonization with the European Union, forced the Local Government of Szeged (actually, the public service provider, a business organization fully owned by the Local Government of Szeged) to elaborate designs for the technical protection and additional insulation of the Central Waste Disposal Plant of Szeged back in 1997 and 1998. Availability of ISPA funds in 1999 opened the way towards implementation, however, the strict regulations of the European Union required that further conditions be met. A project region of a population of 250 thousand inhabitants had to be established, an integrated waste management model for the region thus created had to be worked out, in which insulation of the Central Waste Disposal Plant represented only a part of the global project.

The Local Government of Szeged was compelled to assume all organization work and bear all related costs in order to obtain the support of the European Union for the several billion HUF investment. The smaller local governments and the 32 nearby settlements looked upon the idea of regional cooperation with mistrust, presumably as a result of earlier unfavourable experience, which made them suspicious and were reluctant to accept the city's approach as bringing benefit to them. Following lengthy preparatory activities and a lot of persuasion, those involved finally managed to sign the consortial agreement. Although the smaller local governments received considerable amounts through the project,

- infrastructure – HUF 20-30 million on the average,
- remediation - HUF 200 million per local government on the average,

they bore and still bear no costs and assumed no obligations whatever.

They do not appear grateful for there being some entity that takes care of the issue of remediation of the waste dumping grounds of the smaller local governments which contaminate the environment, which is one of the priority issues for the majority of Hungarian local governments. They appear to abuse Szeged's emergency situation resulting from the fact that the additional technical protection of the Central Waste Disposal Plant could not be postponed any longer, which represented a task that is even beyond the own capacity of a local government of a city as large as Szeged.

Transforming the Consortium into an association representing an independent legal entity has created a new situation. Joint ownership and operation of an integrated waste management infrastructure created through support by the European Union and the Hungarian Government, and a public service business enterprise may open up new perspectives regarding cooperation. An expansion of the Association by way of inclusion of further local governments may develop into cooperation at an EU region level (involving the counties of Békés, Csongrád, and Bács-Kiskun), which may appear to the European Union as a project region that is easier to handle, thus it may attract further support from the European Union.

The objective of the questionnaire-based assessment of the regional cooperation of the local governments was to provide, by way of applying a quantitative method, evidence confirming the statements included in the hypothesis explaining the dysfunctions of operation over the past period. In setting up the hypothesis, we predominantly relied on the opinion of the experts who took part in the implementation and management of the project, and the statements they made during the in-depth interviews.

According to the hypothesis, the mistrust, aversion, tensions and

conflicts emerging between the local governments derives from the system of public administration and power relation of the single-party period. The study conducted appears to have confirmed the hypothesis, even though the majority of the respondents had no personal experience of the given era because of their age.

The analysis of the relations between local governments reflects the currently existing state of affairs. It does not indicate a marked aversion and mistrust that used to be maintained in relation to the earlier regional centre, Szeged. This may be explained by the fact that the cooperation maintained over the past 10 years, its success and the related positive experience have considerably mitigated the tension and conflicts whose negative impact is still felt.

Regional cooperation is a positive, self-strengthening process. Its internal relations in the period following the change of the regime (2000) are better reflected in the hypothesis, whereas the questionnaire-based assessment provides a more adequate picture of the currently prevailing conditions (2008). The latter appears to confirm a significant change in approach and, today, each settlement finds it evident and natural that there are no alternatives to regional cooperation between the local governments. As far as the development of the region is concerned, it is crucial to state that neither the tension and conflicts that used to exist between the local governments, nor the political bias will present an obstacle to long-term cooperation, regional infrastructure development, and regional development in general.

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